

Energy Summit
Opening Remarks
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The story being told about the Cap-and Trade legislation is sad but true. The citizens of Indiana, and the Midwest will see a dramatic increase in their electric bills. This increase will further damage an already fragile economy with the loss of revenue and the loss of jobs.

Most people talk about how the carbon legislation will hurt the Midwest, but we must dig deeper to see that it will hurt the individual the most. Richmond Power and Light serves about 22,000 customers in the City of Richmond, Indiana. Our customers will see an increase in their bills from 25% to 40%. Our unemployment rate is approaching double digits, with more lay-offs in the future. Our customers are on fixed incomes and see no options when it comes to paying higher utility bills. Our customers will need to choose between paying for their utilities, food, medicine or rent. Their income will not cover all of their expenses.

Richmond Power & Light is one of 52 Indiana municipalities that are members of the Indiana Municipal Power Agency (IMPA). This organization provides for the electric needs for these small municipal electric companies. In 2008, these 52 communities used over 6.2 million Mega Watt hours of electricity, at \$50 per ton of carbon tax, these communities would need to pay over \$300 million annually to meet the requirements. That's \$300 million being taken out of the Indiana economy and being redistributed to fund social programs in other areas. This is not the time to redistribute funds from a faltering economy; this is the time to reinvest in Indiana.

As mentioned earlier, the individual consumer will be hit the hardest. The industrial and commercial entities will pass their increased costs along to the consumer as a price increase for their goods and services. Not only will the consumer see higher energy prices, but they will also see a cost in essential products.

This carbon legislation, as written, will eliminate the low cost energy advantage that the Midwest now uses to provide a favorable environment for industry. Raising electric rates will add extra stress on the industries in the Midwest that now provide for our livelihoods. Richmond has lost several major industries in the last four years and we can see more closings if this legislation is passed. Our industry will move their operations, either to one of the coasts or out of the country, taking our jobs with them.

We all are in favor of a clean environment, but this legislation is not about providing a cleaner environment; it is about redistributing revenue, redistributing jobs from the Midwest to other parts of the country, even out of the country. If this legislation is passed, it will be a hardship for the citizens of Richmond, the citizens of Indiana and the citizens of the Midwest.